

COUNTY OF HOWARD

The Board of Trustees of the Howard County Junior College District met for a budget hearing and regular meeting in the Fireplace Room in the Student Union Building on the Big Spring site and by telephone conference call on Monday, August 31, 2020.

The following members of the Board and District Administration were present:

Dr. John Freeman, Chairman
Maxwell Barr, Vice-Chairman
Adrian Calvio, Secretary by phone
Patricia Bennett
Michael Flores
Mark Morgan by phone
Ben Zeichick

Cheryl T. Sparks, Ed.D., President
Amy Burchett, Ed.D., Vice-President Academic and Student Affairs
Danny Campbell, Administrative Dean Instruction, SWCD
Pam Callan, Administrative Dean for Instruction and Student Services, San Angelo by phone
Brenda Claxton, Chief Fiscal Officer/Controller
Terry Hansen, Chief Athletic and Special Projects Officer
Jamie Rainey, Workforce and Community Development Officer, San Angelo by phone
Fabian Serrano, Chief Operations and Safety/Security Officer
Steve Smith, Chief Business Officer/Internal Auditor by phone

Others present were:

Julie Bailey, Assistant to the President
Lee Bryant, Security
Kym Clark, Director eLearning Services by phone
Scott Emerson, Guest
Emma Garcia, Executive Assistant
Adrienne Green, KBST
Eric Hansen, Dean Information Technology Systems by phone
Jan Hansen, Guest
Amanda Duforant, *Big Spring Herald*
Iris Rangel, *Big Spring Herald*
Nati Saldivar, Guest
Cindy Smith, Director Information and Marketing by phone
Quintinn Stewart, Director Network Administration
Diane Yanez, Guest

Dr. Sparks explained procedures of the telephonic meeting. Chairman John Freeman called the meeting to order at 12:31 p.m. in accordance with Texas Government Section, 551.045 with Adrian Calvio and Mark Morgan positioned in remote connections and Dr. Freeman, Maxwell Barr, Patricia Bennett, Michael Flores and Ben Zeichick with Dr. Sparks located in the Fireplace Room in the SUB on the Big Spring campus. Roll call was taken by voice response. Based on the suspended proceedings of the Open Meetings Act in accordance with Section 418.016 of the Texas Government Code, the meeting was open to the public through remote connection utilizing a toll-free number for audio purposes and visual presentation available through GoToMeetings and on the website. The public was also entitled to participate and address the Board onsite. The meeting was recorded and will be available on the website.

Chairman Freeman opened the public hearing on the 2020-2021 Howard College and SWCD budgets. Dr. Freeman read the hearing procedures and invited citizens to present their views concerning the proposed budgets. There were no comments. Dr. Freeman closed the public hearing at 12:33 pm.

Chairman Freeman reconvened the regular meeting at 12:34 p.m. and Max Barr led the invocation.

Next, the public was given the opportunity to communicate with the board. There were no comments.

Next, Trustees considered routine matters including the minutes of the regular meeting August 3, 2020, special meeting on August 20, 2020, and tax hearing on August 27, 2020, monthly financials for July 2020, monthly report of auxiliary services, personnel matters, and an internal audit. Mr. Barr made the motion to approve the routine matters (see attached). Mr. Zeichick seconded the motion. All Trustees present voted in favor of the motion.

Trustees moved to New Business. The first item was Visioning/Future Directions. Trustees considered the adoption of the annual budgets for Howard College and SWCD for 2020-2021. Dr. Sparks gave an overview of the prepared budget. The Howard College budget is now consolidated to include the Big Spring, Lamesa and San Angelo portions and includes the restricted amounts as does the SWCD budget. The total Howard College budget is approximately \$53 million which includes insurance monies for the roof project as well as the projects from fund balance. The Big Spring portion of the budget will have a planned deficit budget in the amount of -\$1,750,000 to address roof repairs utilizing insurance monies placed in fund balance. The deficit for the San Angelo portion of the budget is -\$193,000 from reserves that will go toward revenue bond retirement and final work on the construction trades building project underway. The total SWCD budget is \$6.7 million with a planned deficit of -\$324,000 that includes insurance monies to address roof repairs. All four proposed budgets were balanced for daily operations and included the step raises prior to consideration of additional maintenance and operations (M&O) increase in tax revenue. Trustees determined additional M&O tax revenue to add as deferred maintenance on the Big Spring campus was needed. The most current employee salary list was included as part of the budget. It included the steps for all salary schedules or more raise dependent on salary schedule and number of months in the contract for faculty. There are some current positions listed in the Employee List that are being updated, revised, re-pointed, frozen, or replaced based on recent changes. Several of those changes are in the Non-exempt section. Changes in broadbanding points resulted in base raises for custodians and groundskeepers as well as some clerical type positions. Contracts and letters are being prepared accordingly. Mr. Barr made the motion to approve the 2020-2021 budget as prepared. Mrs. Bennett seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered the tax rate. There were public questions and comments prior to the vote. The maintenance and operation rate proposed of \$0.190586 for the maintenance and operation plus the required debt rate/the interest and sinking tax rate of \$0.0279390 to cover the cost of the bond resulted in the total tax rate being \$0.218525 or an increase of 3.74%. This was the tax rate that had been proposed and discussed at the tax hearing on August 27. Trustees then discussed different maintenance and operation rate proposals of 3%, 2%, 1% and no-new revenue. With a 2% increase in maintenance and operation, the tax rate of \$0.188736 for maintenance and operation plus the required debt rate of \$0.027939 to cover the cost of the bond for a total tax rate of \$0.216675 would be adopted. After some discussion, Mr. Barr made the motion that the property tax rate be increased by the adoption of a tax rate of \$0.216675, which is a 2.87% increase in the total tax rate. Mrs. Bennett seconded the motion. Six Trustees voted in favor of the motion. Mr. Flores voted against the motion. The motion passed. Dr. Sparks told Trustees the budget would be changed to reflect the 2% increase in maintenance and operation levy as opposed to the 3% increase originally considered by the Board and prepared in the budget for adoption.

Next, Trustees were updated on the Legislative Appropriation Request which is due September 18, 2020.

Next, Dr. Sparks shared the COVID-19 Response Status #5 to date. She shared that new information as well as the updated *Open Howard College* document is on the website.

Trustees moved to the second item, Performance Measures/Outcomes. Under accountability measures, Dr. Sparks presented official summer enrollment and projected/preliminary fall enrollment information.

Trustees moved to the third item, Monitoring. Trustees passed on bids and considered catalog and handbook changes including updated salary schedules in the Employee Handbook and a catalog change regarding changes in the Deaf Support Specialist program (see all attached). Mr. Flores made the motion to approve the handbook and catalog changes. Mr. Zeichick seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered reaffirmation of the annual review of investment policy/changes to Public Funds Investment Act, Policy 4.11 in the Board Handbook. There were no changes. Mrs. Bennett made the motion to approve and reaffirm the handbook policy. Mr. Barr seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered the Agreement for Assessment and Collection of Taxes. Mr. Flores made the motion to approve the agreement. Mr. Barr seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered the appointment of the Auditor services. The administration recommended Logan, Thomas and Johnson LLC as the lead firm to assure compliance with state and federal regulations. This Colorado firm specializes in higher education and had previously assisted James Welch for several years. Local firm Lee, Reynolds and Welch (James) will be assisting. Mr. Barr made the motion to approve the appointment of Logan, Thomas and Johnson LLC. Mr. Zeichick seconded the motion. All Trustees present voted in favor of the motion.

Next, Dr. Sparks reviewed the Board calendar of significant events.

Trustees moved to the fourth agenda item, Board Education and Development. Required Conflict of Interest forms were distributed to Trustees for completion.

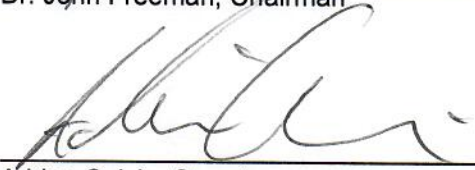
Next, Dr. Sparks shared Community College Association of Texas Trustees webinar training opportunities.

Lastly, Dr. Sparks updated Trustees on legislative and general matters, including information on the virtual Association of Community College Trustees meeting that will be held in October.

There being no other business, Chairman Freeman adjourned the meeting at 2:50 p.m.



Dr. John Freeman, Chairman



Adrian Calvio, Secretary
By Julie Bailey